

**NOTICE OF PUBLIC HEARING**

**IN THE MATTER OF MOLOKAI PUBLIC UTILITIES, INC. ("MPU"), WAI'OLA O MOLOKAI, INC. ("WAI'OLA")  
AND MOSCO, INC. ("MOSCO") FOR TEMPORARY RATE RELIEF**

**DOCKET NO: 2008-0115**

The PUBLIC UTILITIES COMMISSION of the STATE OF HAWAII ("Commission"), pursuant to Hawaii Revised Statutes §§ 269-16 and 269-12, HEREBY GIVES NOTICE that it will hold a public hearing on Tuesday, July 16, 2008, at 10:00 a.m. at Maunaloa Elementary School, 128 Maunaloa Road, Maunaloa, Molokai, Hawaii, relating to the Commission's proposed temporary rate increases for MPU and Wai'ola, in order to ensure the continued operations of MPU, Wai'ola, and Mosco (collectively, "Utilities") until a third party is able to take over the Utilities' systems.

On June 16, 2008, after being informed by the Utilities and Molokai Properties Limited, dba Molokai Ranch ("MPL") that the Utilities' services would be terminated by the end of August 2008 if the County of Maui ("County") or a third party did not take over the Utilities' operations, the Commission opened this proceeding to provide any required temporary rate relief to the Utilities, via a temporary surcharge, to ensure continued water and wastewater services while a third party is found to take over the Utilities' systems. To address financial issues raised by the Utilities as the basis for their inability to continue operations, the Commission proposed the following temporary rate increases for MPU and Wai'ola: (1) for MPU, an increase in revenues of \$297,966, which is 40.96% more than its 2007 reported water revenues of \$727,458; and (2) for Wai'ola, an increase in revenues of \$163,839, which is 121.50% more than its 2007 reported water revenues of \$134,813. Because the Commission found that Mosco is still financially viable and operating at a profit, it proposed a 0.00% increase over present rates for Mosco.

The proposed temporary rate relief is designed solely to make MPU and Wai'ola whole (i.e., so that their operating revenues will cover, or equal, their operating expenses), such that they can continue to provide service on an interim basis. Moreover, the proposed rate relief is designed to be temporary. Thus, the temporary rate increases approved in this proceeding will be effective for a period of six (6) months from the date of an order by the Commission approving the increases, unless otherwise ordered by the Commission. The Commission named as parties to this proceeding: MPU, Wai'ola, Mosco, MPL, the County of Maui, and the Department of Commerce and Consumer Affairs, Division of Consumer Advocacy ("Consumer Advocate"), who is statutorily mandated to represent, protect, and advance the interests of all consumers of utility service, and is an ex officio party to any proceeding before the Commission. The Commission permitted the Parties to comment on the Commission's proposed temporary rate increases. As such, the temporary rate increases to be finally approved by the Commission may be higher or lower than the proposed temporary increases noted above.

All interested persons are invited to attend the public hearing to state their views orally, in writing, or both. Written statements may be submitted prior to, after, or at the public hearing. Statements may be mailed to the Public Utilities Commission, 465 South King Street, Room 103, Honolulu, Hawaii, 96813. Statements may also be sent by electronic mail to the Commission's e-mail address at [Hawaii.PUC@hawaii.gov](mailto:Hawaii.PUC@hawaii.gov). All written statements should reference Docket No. 2008-0115 and include the following information: (1) name of the person submitting the written statement; (2) organization the person submitting the written statement represents (if any); and (3) address of the person submitting the written statement.

A copy of the Commission's order opening this docket will be posted on the Commission's website at [www.hawaii.gov/budget/puc](http://www.hawaii.gov/budget/puc). In addition, hard copies of the order will be available for public inspection during regular business hours at the following locations:

**Public Utilities Commission**

465 South King Street, Room 103  
Honolulu, HI 96813  
Phone: (808) 586-2020

State Office Building No. 1  
54 South High Street, Room 218  
Wailuku, HI 96793  
Phone: (808) 984-8182



Carlito P. Caliboso  
Chairman

**Division of Consumer Advocacy**

King Kalakaua Building  
335 Merchant Street, Room 326  
Honolulu, HI 96813  
Phone: (808) 586-2800

Special arrangements to accommodate persons with disabilities can be made if requested reasonably in advance of the public hearing by contacting the Commission's Honolulu Office (June 25, and July 2 & 9, 2008).

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RUN DATES:  
JUNE 25th  
JULY 2nd & 9th